



Agenda

Finance Committee Meeting
September 4, 2007 – 5:00 pm
City Council Chambers

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES:

AUGUST 13, 2007

CITY CLERK'S OFFICE

DATE 8-31-07 TIME 1:15

SERVED BY Yolanda Green

RECEIVED BY [Signature]

INFORMATIONAL AGENDA:

CONSENT AGENDA:

6. REQUEST FOR APPROVAL OF JOINT POWERS AGREEMENT – NEW MEXICO CORRECTIONS DEPARTMENT INMATE PROGRAM FOR BEAUTIFICATION OF CITY'S RIGHT-OF-WAYS, ARROYOS AND OTHER CITY PROPERTIES; NEW MEXICO CORRECTIONS DEPARTMENT (FABIAN CHAVEZ)
7. REQUEST FOR APPROVAL OF GRANT AWARDS – SANTA FE TRAILS TRANSIT DIVISION; FEDERAL TRANSIT ADMINISTRATION (DONALD MARTINEZ)
8. REQUEST FOR APPROVAL OF A RESOLUTION ESTABLISHING A CITY COOPERATIVE PROGRAM WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILORS HELDMEYER, WURZBURGER AND BUSHEE)
 - A. REQUEST FOR APPROVAL OF COOPERATIVE AGREEMENT – DON GASPAR AVENUE MILL AND OVERLAY PROJECT; NEW MEXICO DEPARTMENT OF TRANSPORTATION (MICHAEL VARGAS)
 1. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND
9. REQUEST FOR APPROVAL OF GRANT AWARD – FURNITURE, EQUIPMENT AND IMPROVEMENTS, PARKING, SECURITY IMPROVEMENTS FOR SANTA FE MUNICIPAL AIRPORT; NEW MEXICO DEPARTMENT OF TRANSPORTATION AVIATION DIVISION (JIM MONTMAN)
10. REQUEST FOR APPROVAL OF LEASE AGREEMENT – ROSS AVIATION AND ITS SUBSIDIARY SANTA FE AIR CENTER (SANTA FE JET CENTER) A SUCCESSOR IN INTEREST TO POST AVIATION SERVICES COMPANY WITH INTENT TO SUBLEASE A HANGER AND RELATED FACILITIES; SANTA FE AERO SERVICES, LLC (JIM MONTMAN)



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11. REQUEST FOR APPROVAL OF COMPLYING WITH PRE-CONDITIONS ASSOCIATED WITH INAUGURATION OF AMERICAN EAGLE AIRLINES REGIONAL JET SERVICE BETWEEN SANTA FE AND DALLAS-FORT WORTH TEXAS, AND BETWEEN SANTA FE AND LOS ANGELES CALIFORNIA PROVIDED THAT:
 - A. THE CITY RETAINS TITLE TO THE LETTER OF INTENT REQUIRED GROUND SUPPORT EQUIPMENT AND;
 - B. THE CITY FUNDED GROUND SUPPORT EQUIPMENT TO BE MADE AVAILABLE TO ANY CARRIER REQUIRING ITS USE ON A NON-INTERFERENCE BASIS. ANY POLITICAL USE CONFLICTS WOULD BE RESOLVED IN COORDINATION WITH THE AFFECTED CARRIER(S) AND AT THE DISCRETION OF THE AIRPORT MANAGER WHOSE DECISION WOULD BE FINAL; AND
 - C. REQUEST FOR APPROVAL OF DELTA AIRLINES REQUEST FOR EQUAL TREATMENT REGARDING PRE-CONDITIONS FOR AMERICAN EAGLE SERVICE AS AMENDED ABOVE

(Postponed at Finance Committee meeting of August 13, 2007)

12. REQUEST FOR APPROVAL OF COOPERATIVE MARKETING GRANT AGREEMENT; ADVERTISING FOR SANTA FE DESIGN WEEK 2007; STATE OF NEW MEXICO TOURISM DEPARTMENT (MELISA COLLETT)
13. REQUEST FOR APPROVAL OF GRANT AGREEMENT AND AWARD – ADVERTISING FOR SANTA FE DESIGN WEEK 2007; STATE OF NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT (MELISA COLLETT)
14. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – ADVERTISING CAMPAIGN TO PROMOTE FIESTA DE SANTA FE; SANTA FE FIESTA COUNCIL, INC. (KEITH TOLER)
15. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – EMPLOYEE BENEFITS CONSULTANT FOR CITY OF SANTA FE (RFP #07/36/P); AON CONSULTING, INC. (KRISTINE KUEBLI)
16. REQUEST FOR APPROVAL OF AMENDMENT TO ADMINISTRATIVE SERVICES AGREEMENT – RENEWAL OF THIRD PARTY ADMINISTRATOR FOR MEDICAL INSURANCE PROGRAM; FISERV HEALTH FORMERLY KNOWN AS WAUSAU BENEFITS, INC. (KRISTINE KUEBLI)
17. REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO CONSTRUCTION AGREEMENT – CITY WIDE SEWER LINE SPOT REPAIR; TRIMAN CONSTRUCTION INDUSTRIES, INC. (LISA SANDOVAL)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – WASTEWATER ENTERPRISE FUND



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18. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – DESIGN SERVICES FOR SANTA FE RIVER CORRIDOR FROM CAMINO ALIRE TO SILER ROAD CROSSING; RESOURCE TECHNOLOGY, INC. (JANINE JOHNSTON)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND
19. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – DESIGN IMPLEMENTATION OF COMPREHENSIVE WAYFINDING PROJECT FOR ARTS COMMISSION; VAUGHNWEDEEN CREATIVE, INC. (TOM MAGUIRE)
20. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – STAFF SUPPORT FOR LAND USE AND PUBLIC WORKS DEPARTMENTS; REYES ARAGON (JACK HIATT)
21. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AND LICENSE AGREEMENTS – VOICE PERMITS INTEGRATED VOICE RESPONSE SOFTWARE FOR PLANNING DEPARTMENT; SELECTRON TECHNOLOGIES, INC. (CARYN FIORINA)
22. REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING – STOCKING OF RIO GRANDE CUTTHROAT TROUT IN SANTA FE MUNICIPAL RESERVOIRS FOR WATER DIVISION; STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH (ALAN HOOK)
23. STAFFING CHANGE FOR HOUSING AND COMMUNITY DEVELOPMENT (KATHY MCCORMICK)
24. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – INITIATE A “BUY LOCAL” CAMPAIGN; SANTA FE ALLIANCE (KATHY MCCORMICK)
25. REQUEST FOR APPROVAL TO PUBLISH NOTICE OF PUBLIC HEARING ON OCTOBER 10, 2007 AN ORDINANCE CREATING A NEW SECTION 7-15 SFCC 1987 REQUIRING THE POSTING OF HOME ENERGY RATING SCORES FOR ALL NEW RESIDENTIAL UNITS (COUNCILORS CALVERT DOMINGUEZ AND WURZBURGER) (JACK HIATT)
26. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – TREE RING STUDY TO UNDERSTAND FIRE HISTORY IN THE UPPER WATERSHED AND RECONSTRUCT A LONGER STREAM FLOW RECORD; UNIVERSITY OF ARIZONA (CLAUDIA BORCHERT) (Postponed at Finance Committee meeting of August 13, 2007)



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DISCUSSION:

27. REVIEW AND REQUEST FOR DIRECTION ON THE PARKS MASTER PLAN (FABIAN CHAVEZ)
28. POTENTIAL REVENUE INITIATIVES TO BE ON THE MARCH 2008 ELECTION BALLOT:
 - A. REQUEST FOR APPROVAL OF ISSUANCE OF GENERAL OBLIGATION BONDS FOR STREETS, BRIDGE AND SIDEWALK IMPROVEMENTS IN AN AMOUNT TO BE DETERMINED
 1. REQUEST FOR APPROVAL OF A RESOLUTION TO INCLUDE BRIDGE, STREET AND SIDEWALK REPAIRS AND IMPROVEMENTS IN A GENERAL OBLIGATION BOND TO BE PROPOSED TO THE VOTERS IN THE MARCH 2008 MUNICIPAL ELECTION (MAYOR COSS)
 - B. REQUEST FOR APPROVAL OF GENERAL OBLIGATION BONDS FOR PARK IMPROVEMENTS IN THE AMOUNT TO BE DETERMINED
 - C. REQUEST FOR APPROVAL OF QUALITY OF LIFE GRT INCREASE IN AN INCREMENT TO BE DETERMINED FOR ARTS
 - D. REQUEST FOR APPROVAL OF CHARTER COMMISSION AMENDMENTS
 - E. REQUEST FOR APPROVAL OF REAL ESTATE TRANSFER TAX
 1. REQUEST FOR APPROVAL TO PUBLISH NOTICE OF PUBLIC HEARING ON OCTOBER 10, 2007 AN ORDINANCE CREATING ARTICLE 18-19 OF THE SANTA FE CITY CODE IMPOSING A REAL ESTATE TRANSFER TAX
29. OTHER FINANCIAL INFORMATION:
 - A. UPDATE ON GROSS RECEIPTS TAX FOR AUGUST 2007 AND LODGERS' TAX FOR JULY 2007 (KATHRYN RAVELING)
30. MATTERS FROM THE COMMITTEE
31. ADJOURNMENT

Interpreter for hearing impaired is available through City Clerk's Office upon 5 days notice.

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Tuesday, September 4, 2007**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER	Quorum	1
APPROVAL OF AGENDA	Approved [amended]	1-2
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
APPROVAL OF MINUTES: AUGUST 13, 2007	Approved	2
INFORMATIONAL AGENDA	No items	2
CONSENT AGENDA LISTING		2-5
<u>DISCUSSION</u>		
REQUEST FOR APPROVAL TO PUBLISH NOTICE OF PUBLIC HEARING ON OCTOBER 10, 2007, AN ORDINANCE CREATING A NEW SECTION 7-15 SFCC 1987, REQUIRING THE POSTING OF HOME ENERGY RATING SCORES FOR ALL NEW RESIDENTIAL UNITS	Approved	5-6
REVIEW AND REQUEST FOR DIRECTION ON THE PARKS MASTER PLAN	Discussion/direction to staff	6-10
<u>POTENTIAL REVENUE INITIATIVES TO BE ON THE MARCH 2008 ELECTION BALLOT</u>		
REQUEST FOR APPROVAL OF REAL ESTATE TRANSFER TAX. REQUEST FOR APPROVAL TO PUBLISH NOTICE OF PUBLIC HEARING ON OCTOBER 10, 2007, AN ORDINANCE CREATING ARTICLE 18-19 OF THE SANTA FE CITY CODE, IMPOSING A REAL ESTATE TRANSFER TAX.	Approved Request to Publish	10-16

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF ISSUANCE OF GENERAL OBLIGATION BONDS FOR STREETS, BRIDGE AND SIDEWALK IMPROVEMENTS IN AN AMOUNT TO BE DETERMINED		
REQUEST FOR APPROVAL OF A RESOLUTION TO INCLUDE BRIDGE STREET AND SIDEWALK REPAIRS AND IMPROVEMENTS IN A GENERAL OBLIGATION BOND TO BE PROPOSED TO THE VOTERS IN THE MARCH 2008 MUNICIPAL ELECTION	Postponed to 09/17/2007	16-18
REQUEST FOR APPROVAL OF GENERAL OBLIGATION BONDS FOR PARK IMPROVEMENTS IN THE AMOUNT TO BE DETERMINED	Approved	18
REQUEST FOR APPROVAL OF QUALITY OF LIFE GRT INCREASE IN AN INCREMENT TO BE DETERMINED FOR ARTS	No action	18
REQUEST FOR APPROVAL OF CHARTER COMMISSION AMENDMENTS.		
Ranked choice voting	Approved	19-21
Campaign Financing	Approved	21-24
Reduction of number of signatures	Approved	24-25
OTHER FINANCIAL INFORMATION		
UPDATE ON GROSS RECEIPTS TAX FOR AUGUST 2007 AND LODGERS' TAX FOR JULY 2007	Information/discussion	25
MATTERS FROM THE COMMITTEE		25
ADJOURNMENT		26

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE
Tuesday, September 4, 2007**

1. CALL TO ORDER

A regular meeting of the Finance Committee was called to order by Chair Karen Heldmeyer, at 5:15 p.m., on Tuesday, September 4, 2007, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Karen Heldmeyer, Chair
Councilor Christopher Calvert
Councilor Matthew Ortiz
Councilor Rebecca Wurzburger

MEMBERS ABSENT:

Councilor Carmichael Dominguez

OTHER COUNCILORS ATTENDING:

Councilor Miguel Chavez

OTHERS ATTENDING:

Kathryn Raveling, Finance Director
Yolanda Green, Finance Division
Melessia Helberg, Stenographer.

There was a quorum of the membership in attendance for the conducting of official business.

NOTE: All items in the Committee packets for all agenda items are incorporated herewith by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

Ms. Raveling said Item #25 should be on the Discussion Agenda and not the Consent Agenda.

MOTION: Councilor Calvert moved, seconded by Councilor Wurzburger, to approve the Agenda as amended, and to hear Item #25 first on the Discussion agenda.

VOTE: The motion was approved on a voice vote [absent: Councilor Ortiz].

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Calvert moved, seconded by Councilor Wurzbarger, to approve the Consent Agenda as presented.

VOTE: The motion was approved on a voice vote [Absent: Councilor Ortiz].

INFORMATIONAL AGENDA

There were no items on the Informational Agenda.

5. APPROVAL OF MINUTES: AUGUST 13, 2007

MOTION: Councilor Calvert moved, seconded by Councilor Wurzbarger, to approve the minutes of the meeting of August 13, 2007, as presented.

VOTE: The motion was approved on a voice vote [absent: Councilor Ortiz].

CONSENT AGENDA

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24. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – INITIATE A “BUY LOCAL” CAMPAIGN; SANTA FE ALLIANCE. (KATHY MCCORMICK)
25. *[Removed to the Discussion Agenda]*

26. **REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – TREE RING STUDY TO UNDERSTAND FIRE HISTORY IN THE UPPER WATERSHED AND RECONSTRUCT A LONGER STREAM FLOW RECORD; UNIVERSITY OF ARIZONA. (CLAUDIA BORCHERT). (Postponed at Finance Committee meeting of August 13, 2007.)**

DISCUSSION:

25. **REQUEST FOR APPROVAL TO PUBLISH NOTICE OF PUBLIC HEARING ON OCTOBER 10, 2007, AN ORDINANCE CREATING A NEW SECTION 7-15 SFCC 1987, REQUIRING THE POSTING OF HOME ENERGY RATING SCORES FOR ALL NEW RESIDENTIAL UNITS (COUNCILORS CALVERT, DOMINGUEZ AND WURZBURGER). (JACK HIATT)**

Councilor Calvert said there may have been some misunderstanding the first time this bill was discussed. One of the issues was that this requirement will impose additional costs, and the Committee suggested waiting until we have standards. He said the standards will impose costs. He said once there is a Green Code, it will require HERS rating. The cost of the rating will cost approximately \$500, depending on the square footage of the house. PNM is proposing a \$500 rebate to developers for HERS rating, noting this proposal is before the PRC.

Councilor Calvert reiterated that the Green Code will require a HERS rating, because you have to test the requirements to ensure performance in accordance with the Plan which is part of the HERS rating. So, there is going to be a need for it. Councilor Calvert said you might question why we wouldn't wait until those come out. However, this gives a notice that things are coming; people will have the opportunity to prepare and be trained for this, and get some of the details out of the way before the Green Code is implemented, as well as increase competition for increased energy efficiency among builders.

Councilor Calvert explained that there will be benefits to the consumers, including superior energy performance or knowledge of what the performance is at this point, allow people to qualify for special green mortgages and provide a greater resale value for the property. Additionally, this will provide good paying jobs in the community. He said Larry Gorman with Building Solutions is in attendance and is well versed in HERS ratings and can answer any questions.

MOTION: Councilor Calvert moved, seconded by Councilor Wurzbarger, to approve this request.

DISCUSSION: Chair Heldmeyer asked if only people from a certain company can perform the HERS rating, noting it says raters certified and listed by Residential Energy Services Network.

Councilor Calvert said this is a nationally certified program for training people, is a standard which is recognized by the EPA for training this people, and is and the one which Lou Schreiber will have at the Community College.

Councilor Wurzbarger said it does require certification.

Chair Heldmeyer said then home inspectors can be certified as well, but they have to take the course and pass the test to be certified.

Councilor Calvert said this is correct.

VOTE: The motion was approved on a voice vote [absent: Councilor Ortiz].

27. REVIEW AND REQUEST FOR DIRECTION ON THE PARKS MASTER PLAN. (FABIAN CHAVEZ)

Chair Heldmeyer said this is part of one of the revenue initiatives, and the reason it is on the agenda this evening.

MOTION: Councilor Wurzburger moved to table this item until Councilor Ortiz arrives. The motion failed for lack of a second.

Councilor Ortiz arrived at the meeting at this time

Responding to Councilor Chavez, Mr. Chavez said staff is still following the five-year plan, which initially addressed pulling the parks out of the drought, and that funding was to upgrade the irrigation systems and the turf. Staff then was directed to go beyond that, and look at the 2001 Parks Master Plan, and provide costs to bring the amenities up to standard in all the parks mentioned in the Plan and then to do a minimal amount of work in all of those. He said there is such a breakdown by District in the Committee packets.

Chair Heldmeyer asked where new parks fit in the Plan.

Mr. Chavez said the Plan did address new parks which currently are open space or undeveloped areas in the City, noting there is a sheet in the packet talking about those open space areas which potentially are set aside for new parks.

Chair Heldmeyer asked about plans for acquisition of land.

Mr. Chavez said the cost analysis doesn't address land acquisition, and only addresses existing land owned by the City.

Chair Heldmeyer said District 2 is at a disadvantage to others in terms of existing park land because it is older and hasn't had as much land set aside for parks as the other Districts. She said we need to look at acquisition of land in District 2, if any, which would be one way to deal with the equality of the situation.

Councilor Chavez asked the difference between "Empty" and "five year plan." For example, Cielo Vista was mentioned in the five-year plan but Baca Street Railyard parcel was not, which is in the new version of the five-year Plan.

Mr. Chavez said this was the result of trying to include everything which is "out there" to be inclusive in the first pass.

Councilor Chavez suggested it would make more sense to amend the Five Year Plan, and have one Plan for all of the parks, instead of having a Master Plan and a five-year Plan.

Councilor Ortiz said this really is not just about addressing the five-year Parks Improvement Plan which was to address the issue of allowing our parks to get "swept under" by the 2001 drought, but that brings the parks only to a bare minimum level. This initiative is an opportunity for the public to decide whether or not the parks which are adopted will be funded and built. To the extent monies need to be set aside for acquisition of additional open space, those can be added by BTAC and by the Parks Commission, as well as the City Council. Those have a cost, and we need to include amounts for that particular funding.

Councilor Ortiz said he hopes with this particular plan, all of the Districts will be addressed and the parks will achieve the status of other parks which residents in other communities in New Mexico enjoy. This is the purpose of the resolution. He said the staff has done a comprehensive job of identifying every park and open space in Santa Fe. He hopes this list will be winnowed down by October, but if we add more things to it, this plan allows for that flexibility. He said we need this information, so once the bond question is posed, it is clear to the public that it will get a result within five to seven years for the increase in property tax. He would like this list to be ready for public review by the time the ballot questions are published in October. He said this needs to go to Public Works at its next meeting.

Mr. Chavez said it is scheduled to go before Public Works twice and Finance three times before it goes to Council in October. He said the new Parks Advisory Committee is working on the plan concurrently, and is visiting parks, and will be bringing forward questions and suggestions with regard to the proposal.

Councilor Ortiz said the purpose of the Resolution was to have many "shots" and many different Committees to determine the priorities and preferences for the initiative prior to placing it on the ballot. He said this will provide a concrete view of exactly what will be built, and the cost.

Councilor Wurzbarger would like to meet with Mr. Chavez prior to the Public Works Committee meeting on the issue of the Old Pecos Trail corridor, and look at the possibilities to save what little land is left.

Chair Heldmeyer noted the ordinance which was introduced is still around, if there is interesting in passing it.

Councilor Calvert said he has individual park questions in District #1, and asked if this is the appropriate time.

Chair Heldmeyer said the agenda says, "Review and request for direction," noting each Councilor seems to have a page which is almost a ballot, and asked Councilor Ortiz the process he will be using.

Councilor Ortiz said the Resolution we adopted sets out process, which is review and recommendation from the Parks Commission, BTAC, Public Works and then to Finance for its recommendation.

Councilor Calvert said it would be very helpful if staff could provide maps with the lists.

Mr. Chavez said he will have those tomorrow by District and he will send those to the Committee members.

Chair Heldmeyer asked if it is the assumption that we will work this out in committee meetings, or that each Councilor will meet with Fabian individually to work out their requests.

Councilor Ortiz said he would leave the details of individual parks in individual Districts, to the individual members of the Governing Body. He said some Councilors are more comfortable in dealing directly with staff, and others are more comfortable in dealing with the issues in a public meeting. He is prepared to talk about the issues in public with regard to District #4. He said the figures for some of the parks in his district will have to decrease, while others need to increase, and he is willing to do that publicly in the committees, both here and at Public Works. He said Councilors can choose to do either.

Chair Heldmeyer wants to do this as a public process. However, because of the time constraints on members of the Committee this evening, this meeting probably is not the place to do that.

Councilor Ortiz said he thought this evening we would discuss, in general, the potential outlook for ballot initiatives with potential for revenue increases at the 2008 Municipal Election. He thought this was going to be discussed in a general manner. If the Committee wants to get into more specifics, this can be done as well. He said this particular item, in terms of revenue enhancement, has a plan and a specific dollar amount attached to it. He said the Committee can tinker with the dollar amounts now or at the next Finance Committee meeting, or the next Public Works Committee, and treat it like an ICIP list, or we can just pass it in a summary fashion. He noted this was placed on the Agenda at the request of the Chair.

Chair Heldmeyer said it is related to a revenue item, and there are specific amounts of money attached to it. There is basically a ballot for each District, which presumably Councilor Ortiz wanted the Councilors to do.

Councilor Ortiz said it is not a ballot, it is a summary of all of the individual parks, and for convenience and aid to the Governing Body, it is broken down by District, but it is not a ballot issue. He

said the ballot question would be whether or not the people of Santa Fe wish to increase their property tax by a certain amount in accordance a Schedule A and we've not yet gotten to Schedule A. This is the first part of this process.

Chair Heldmeyer said she is not talking about what would go on the ballot for voters, but she is talking about the piece of paper which each Councilor received, saying "indicate selection by placing an X in each park recommendation," and it is blank, and she presumes at some point somebody wants it completed. Her question is when do you want to do this, and tonight didn't seem to be the night.

Councilor Ortiz said it wasn't to be tonight, because he didn't think this was the purpose of this agenda item. However, he is prepared to do it tonight, but he can wait. He said it would seem more feasible to let it first go through the committees composed of public members before we start making choices.

Councilor Calvert said we don't have time to go through this in detail tonight. He will ask Fabian the questions he has with regard to clarification with Fabian separately. He needs more information and clarification. He said when we get to the plan itself, then that needs to be done in a public discussion, but not this evening.

Mr. Chavez said this is a work in progress, and this is more of a work sheet. He has data and is willing to sit with Councilors individually.

Chair Heldmeyer asked at what point will the public participation from the Parks and BTAC be available.

Mr. Chavez said the Parks Advisory Committee told him their work should be done by mid-September.

Chair Heldmeyer asked about BTAC.

Mr. Romero said BTAC currently is working on designing \$18 million of the trails, knowing there will be only a finite amount of money allocated to trails. He said BTAC selected its top priorities which are included, and are listed as BTAC priorities at about \$16 million. He said is the Committee's recommendation that whatever funds are allocated for trails, be allocated to these projects.

Chair Heldmeyer said then the final version will contain something about trails which might be general or specific.

Mr. Romero said this is up to the Governing Body to decide.

Councilor Chavez said he has reviewed the District 3 list, noting that the MRC, Rancho del Sol, South Meadows and the Commons seem to be misplaced, because the Commons is on West Alameda, and is not in District 3.

Chair Heldmeyer said, because of the limited time this evening, specifics like this can wait.

Chair Heldmeyer thanked Councilor Chavez for attending and for being on time for the Committee meeting.

Councilor Chavez said he will sit with Mr. Chavez and review these kinds of things, and left the meeting at this time.

Councilor Wurzbarger would like Mr. Chavez to set up a District 2 meeting to discuss priorities. She said in terms of what we're doing tonight, rather than specifics of a park, that we would talk generally about each, and decide whether we are doing all of these, and how we would put these on the ballot.

Chair Heldmeyer said she understands from the Committee, the direction will be to staff that the specifics will come back to this Committee and Public Works, where there will be further discussion and input from the public by the middle of September, and Councilors can either meet with Mr. Chavez individually, discuss this publicly, or some combination thereof.

There was a consensus among the Committee to proceed as the Chair described.

28. POTENTIAL REVENUE INITIATIVES TO BE ON THE MARCH 2008 ELECTION BALLOT:

Chair Heldmeyer said staff added initiatives they had heard discussed in terms of possible placement on the March 2008 election ballot. She said the Charter Commission initiatives are in the middle of that, and she would prefer to talk about the potential revenue initiatives as a group.

Councilor Wurzbarger commended Councilor Ortiz for the way he has gone about the park improvements, and is comfortable in assuming that as one of, or the only item for a bond initiative.

After discussion, the Committee agreed to discuss the revenue initiatives in the following order:

E. REQUEST FOR APPROVAL OF REAL ESTATE TRANSFER TAX.

1. REQUEST FOR APPROVAL TO PUBLISH NOTICE OF PUBLIC HEARING ON OCTOBER 10, 2007, AN ORDINANCE CREATING ARTICLE 18-19 OF THE SANTA FE CITY CODE, IMPOSING A REAL ESTATE TRANSFER TAX.

Councilor Wurzbarger said this has been on the Public Works agenda twice, and we're tried to put it through public works, and she feels this has been stalemated through the Committee process. She would like to work out a process tonight with regard to when this is coming back to finance, and she wants to be sure there is some way we actually hear this and move it forward and decide what our process will be. She is extremely concerned about the future sustainability of the finances of this City. We are now talking about losing income in significant ways. She sees the Real Estate Transfer Tax (RETT) not just to deal with affordable housing, but as another way to augment the General Fund. She said she has served almost six years on the Council, and during this time, to her knowledge, we have done nothing to add to

the General Fund with one exception. She said when we talked about the police tax, we talked only about the basis, and didn't talk about the size of the police force which is actually needed. She said, with regard to the parks, we are looking at a long term of what we need and what we want as a community, and this is the context in which we should look at this. She would like to see discussions at the committees if it is possible to do a realistic look at what the City needs and to go for it, commenting that we need more than one initiative.

Chair Heldmeyer agreed. She believes this is the reason we started strategic budget planning, but doesn't know what happened to that. She believes it is crazy that we are less than two months away from deciding what goes on the ballot in March 2008, and we are just now bringing these things forward. However, she said Councilor Ortiz has been working on the parks plan for some time, although she doesn't agree with everything that is in it.

Chair Heldmeyer said it has been incredibly difficult to get these initiatives on the Finance Agenda, much less the Public Works agenda, and in getting Councilors to indicate what they support, and are thinking about. This is one reason for this meeting tonight, even though it is Fiestecita – so the Councilors who want to do so, can talk about these issues. There is a limited amount of time to talk about these issues this evening. We aren't doing them in terms of overall terms of strategic budget planning, which is her preference. She said it may be that the Council may decide that the time hasn't come to put things on the March ballot, and the Council may decide the need for revenue is strong enough that they need to be put on the March ballot. She said staff has done a tremendous job in keeping after people to get these issues on the agenda.

Councilor Wurzbarger suggested taking ten minutes to discuss the RETT, with which the Chair and Committee agreed. Councilor Wurzbarger suggested raising the questions we need answered before we can move forward.

Chair Heldmeyer agreed, and asked Ms. McCormick to discuss the option points. There are several options and there has not been complete agreement among the sponsors about what options are being selected.

Ms. McCormick said staff is looking for direction on how the Council wants them to proceed or not proceed with the RETT. She said, in accordance with the August 29, 2007 Memo, which is in the packet, staff is recommending, if the RETT is to proceed, to exempt the first \$500,000 in sales price and charge 1% on the balance. She said at the last Public Works meeting, staff was asked to provide additional information on the production of the 1% on a total sales basis of those units at \$300,000, \$400,000, \$500,000 and \$600,000 which are indicated in the memorandum. She said this is an opportunity to respond to some of the questions which were raised at Public Works and seek general direction on how you would like staff to proceed with the RETT or not.

Ms. McCormick said it was always the intention or understanding that the RETT would be allocated for affordable housing.

Councilor Calvert said he thought most questions about the structure of the tax were resolved. The only thing he thought would need fine tuning would be how it would be allocated. He thought it was well on its way, even though it hasn't made it through committees very well.

Chair Heldmeyer agrees with Councilor Wurzbarger. This started a while ago before Ms. McCormick joined the City staff. At that time it was suggested as a way of funding affordable housing initiatives. She reiterated that her assumption was that during strategic budget planning, we would discuss whether that was a useful specific allocation of those funds, or if it made more sense to use it for something else specifically or go into the General Fund. She said we haven't had that discussion.

Councilor Calvert agreed that we need to have that discussion. However, tactically or strategically, placing the funds into the General Fund would be a hard sell to the voters.

Chair Heldmeyer said she doesn't know whether it would be a harder sell than affordable housing, which is an interesting, empirical question.

Councilor Wurzbarger agreed, and said we won't have the answer to that empirical question in the next 1½ months. She expressed concern with the potential revenue loss of \$1-2 millions, depending on what happens to short term rentals. She said right now we need to be looking at this revenue to replace that loss to the General Fund. She is comfortable with the structure, but she wants to discuss what we might get from this tax with the other Councilors, and perhaps using it for something specific within the General Fund.

Ms. McCormick said in many communities, the revenue is used for multiple purposes, and some use it for the General Fund. It becomes the Council's call and what it thinks is actionable and stands a good chance of being approved. Staff was asked to look at this specifically for housing and to develop a housing plan. She said that plan was presented to Public Works, received feedback, and staff has honed it to focus on four primary areas in affordable housing. She said if you want to use it for that purpose, the next step is to become more specific in actual number of units which would be generated.

Responding to Councilor Wurzbarger, Ms. McCormick said this item has been pulled from three successive Public Works agendas. She said she has also attempted to schedule a study session, but Councilors are quite busy.

Councilor Wurzbarger said then at this point, you are going to Public Works, and after that, back here to Finance.

Ms. McCormick said this is correct, and then it would go to Council to decide whether to pursue this as a ballot initiative.

Councilor Ortiz said, in general, his concern with the RETT is that dollars are to be allocated after public approval, which was his concern with the safety tax as well as bridge improvements. He wants the parks initiative to be very clear about the costs and what we are going to build, and then finance only for that amount. What we have done with the RETT and the public safety tax is that we say we need a certain

amount of money, and "trust us, we're going to come up with a plan after we get this pot of money." He said, to him, this is not an appropriate way to do it.

Councilor Ortiz said his concern with the RETT at Public Works is that it has been morphed from being another funding source for the investment fund, to being part of the investment fund and part of a funding source for the recommendations from the Mayor's Task Force for the Homeless. He said the Governing Body has had neither input nor recommendations on those Task Force recommendations, nor has it approved those recommendations. He said the RETT has further morphed into perhaps we could use it for other purposes, and now, we really don't know the break points.

Councilor Ortiz said the problem with the RETT is that it always has been a moving target, and he is less comfortable with that, especially with property tax. He said the pot of money, to him, has been dependent on the value of the home sales. He pointed out that the crash of the home industry on the east and west coasts, will have ripple effects in New Mexico. He said if this is passed, we might not get the projected revenues if home sale for these particular ranges of houses decreases. He is much more comfortable with the parks plan, commenting that he is wedded to, and invested in, seeing the parks improved, and doesn't want to see the RETT "muddy" that initiative.

Councilor Ortiz said, however, if he can be convinced that the plan on which the Committee commented two months ago has been refined, there are hard numbers, and we are confident about those numbers, he might change his opinion on the RETT. However, he is less inclined to support the RETT if he is told that there is a very refined and honed affordable housing plan, but we are going to factor in another \$300,000 or \$400,000 to go for parks, or the General Fund, or as a buffer for shrinking revenues.

Councilor Ortiz said his comments also go to the Mayor's proposal which is to fund bridge and sidewalk repairs. He said given the national circumstances that might be a reasonable fund, but he wants to know the amount, and how the funds will improve the CIP budget. He commented that the City of Albuquerque had problems in passing the quality of life tax, and doesn't know why we would try to get that increase passed here when it failed in Albuquerque.

Councilor Ortiz commented that he is parochial and believes the Parks initiative has a better chance of passage if it is the only initiative on the ballot. He believes better parks equal a happier people equal a better community.

Councilor Ortiz said he has never been comfortable that we know how many dollars would be produced by the RETT and how we will spend those funds. He would pass on placing the RETT on the ballot.

Councilor Calvert said technically, the RETT is not a property tax, it is an excise tax. However, he shares Councilor Ortiz's concern about the general part. He always thought it was to be specifically for affordable housing. He said although good parks make a happy people, they have to be able to live here to be able to enjoy those parks. He believes it is important to have the RETT to fund housing. He agrees we need to hone the plan for funding, but the unique thing about this tax is that you don't know the exact amount which would be produced. You can only estimate, because it depends on sales. He said part of

the refinement would be setting priorities within the funding plan. He is willing to work to get the funding structure refined to make it a good ballot initiative.

Councilor Heldmeyer said she always looked at this as alternatives to property tax which is problematic, especially for those whose families have owned property for many generations who have seen the property taxes skyrocket. She said most of the property taxes go elsewhere, and not to the City. It is a very serious problem for families on the east side of Santa Fe who are trying to keep their familial homes and seeing mansions being built all around them.

Councilor Heldmeyer said one of the choices in RETT is to impose it for all houses or houses over a certain level. We had the initial research done for the HOP program, which demonstrated that houses over a certain level generate needs in the community that normally priced homes don't. She is comfortable that the RETT is used nationally. This is a potential revenue which we haven't tapped which would correct some of the inequities we have with the property taxes. She believes property taxes should be income indexed, and the County has the ability to do this, but cities don't.

Chair Heldmeyer said property taxes are more fair than the GRT taxes which hit the poorest in general. She said the equity issues are very important in terms of a RETT which is more progressive. She is less wedded as to where the funds are to go, but understands the parochial issues brought up by Councilor Ortiz who probably is correct in his assessment. This not a "way out, wacky" tax that the City of Santa Fe has suddenly brought up, but is one which is used all over the country. It seems to make particularly good sense in a city where we have a lot of high end homes and incomes. It may be that if the high end market crashes, this won't generate of income, and this says, to her, that you can't have very specific uses for these funds. It isn't like a property tax in this sense. She is okay on it, but wants to work on the details.

Councilor Wurzbarger said she likes the RETT because the majority of homes that turn over are the high end homes. She said the RETT is not going to hurt the people who live in Santa Fe. The question is, if we feel tactically that it is better to go only for affordable housing, she is okay for that. She is willing to work to get this in shape. She said, unlike the Parks initiative, we can't say specifically what we will do with the funds.

Ms. McCormick said the way it is designed, the City can't spend any money which hasn't been collected – it is what you actually have in the kitty. It is designed to reflect uses in the Housing Trust Fund which are also in that fund. It allows the Council and the community to establish priorities for that Fund. She said she is hearing more about lots of programs which allow it to be used for other purposes – employer assisted housing, down-payment assistance, rehab loans and such.

Councilor Ortiz said the Chair gave the best explanation of why the public would vote for this kind of excise tax, in a clear summary fashion, but it still took three minutes. He believes the educational component of this tax on a ballot initiative will be exhaustive. He said with a ballot initiative, the public needs to be educated about what they are voting to do. He believes the Parks initiative can be very clearly delineated. The problem with the RETT, in addition to the issues which still needs to be addressed and approved, is how to explain it to the public so they understand and comprehend exactly what they're voting

on. He said he isn't above making slogans for the Parks initiative, and could develop a six-word slogan, while the RETT needs six hundred just to scratch the surface.

Councilor Wurzbarger said she can think of a slogan for the Police officers, "Now I can live here."

Councilor Ortiz said we can do that without a RETT, observing there are problems from a political standpoint with this tax which we haven't touched. He is willing to work on the details, and wants those details before it goes to the public for a vote.

Ms. McCormick said then the direction to staff is to bring this back to the next Finance Committee meeting, no matter what happens in between, and to share the information packet with Public Works and request it to be presented.

Yolanda Vigil, City Clerk, said any of the ballot proposals which need an ordinance up front, must be on the September 11th Council Agenda as a request to publish for a public hearing on October 10, 2007, unless the Councilors would like to have a special meeting after September 10th and prior to October 29th.

Responding to Councilor Ortiz, Ms. Vigil said the RETT, and any GRT related proposals must have an ordinance adopted up front. She said the City Attorney has said the RETT would fall under the same requirements as the GRT. She said with regard to a G.O. Bond, the ordinance is adopted after the election.

Councilor Wurzbarger said she has looked at the timeline proposed by the City Clerk and believes we need to have a special meeting. She doubts if we could have an ordinance ready by September 11th, and she wants it to come back here.

Chair Heldmeyer said she heard Ms. Vigil say that at the next Council meeting, the request to publish has to be on the agenda.

Councilor Calvert said, then we need to vote on, and forward, the recommendation to the Council.

Ms. Vigil said this is correct, unless the Council wants to have a special meeting after September 10, 2007.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Calvert moved, to put a request to publish on the next Council agenda for the RETT, knowing that what they request to publish may change over the month.

DISCUSSION: Councilor Wurzbarger said this makes her nervous, given her experience with her ordinance on short term rentals on which she worked for eight months.

Councilor Ortiz would like to place it on the agenda to see what happens, since some of the Councilors said we can't publish title and general summary on the short term rentals without a full picture, and how

that discussion interplays with this particular vote. He said we are bumping against a deadline, and the City Clerk is telling us we have to publish title and general summary next week, period if we want to consider this.

MOTION: The motion was approved unanimously on a voice vote.

A. REQUEST FOR APPROVAL OF ISSUANCE OF GENERAL OBLIGATION BONDS FOR STREETS, BRIDGE AND SIDEWALK IMPROVEMENTS IN AN AMOUNT TO BE DETERMINED.

1. REQUEST FOR APPROVAL OF A RESOLUTION TO INCLUDE BRIDGE STREET AND SIDEWALK REPAIRS AND IMPROVEMENTS IN A GENERAL OBLIGATION BOND TO BE PROPOSED TO THE VOTERS IN THE MARCH 2008 MUNICIPAL ELECTION. (MAYOR COSS)

Mayor Coss said he is trying to get funds for a teen center and a teen center at Tino Griego from CIP. He said streets, sidewalks and bridges never get an adequate level of funding from CIP. He appreciates the work of Parks staff and Councilor Ortiz on the Parks initiative. He believes this Committee can develop a very good list of streets, sidewalks and bridges. He said there are two bridges which need repairs which would use up the usual \$4 million allocated, noting we are falling behind in paving and road repairs. He is asking this Committee if it wants to consider transportation issues as a part of the GO bond issue. He said \$10 million over 20 years, would cost \$30 annually for a \$300,000 household. He asked how much the GO issue should be, and should that include some public transportation issues.

Chair Heldmeyer understands lines are drawn with regard to what can be done with GO bond proceeds, and it is okay to use them for improvements, but maintenance and repairs may be "another kettle of fish."

Mayor Coss said this is true, and we need to use the funds in the same way we use the CIP funds, and whatever is done has to last as long as the bond issue.

Chair Heldmeyer said we do pay for some operations out of CIP, noting that street resurfacing won't last 15 years.

Mayor Coss said it has to last that long, because of the scarcity of funds.

Chair Heldmeyer said if there is more than one thing on the ballot, and everything can be lumped together in a single bond issue, or there can be separate bond issues for different kinds of things. She asked the Mayor if he has given any thought to his preference as to how to do that.

Mayor Coss said his preference would be separate questions for parks and for streets. He asked if the BTAC recommendations are part of one question, or if it should be separate. He said this does raise the issue of how many questions you can put on the ballot, including the charter amendments, and how much controversy can there be and get any of them passed.

Chair Heldmeyer asked the Mayor how much money he is proposing to get.

Mayor said in his discussions with Mr. Romero, and in looking at Ms. Raveling's numbers, we are at a bond issue of \$25 million, but with \$17 million for Parks, \$9 million for trails, and we are already over that amount. He is looking at \$10 million for transportation purposes.

Chair Heldmeyer said there has been some discussion between the Community College and the County, because the County also is looking at some major property tax proposals in November.

Councilor Calvert said this came upon us suddenly, and he would like to see what it would be used for and the high priorities. He said we have heard about the Sandoval Bridge and the Mayor mentioned the Rodeo Road bridge over St. Francis Drive. He wants more detail to be able to assess this in the context of what is on the ballot and the chances of success. Councilor Calvert said, with regard to some of these things always getting short "shriff," we do spend a lot on streets, the sidewalks and trails. He said we need to tie the two together in a percentage formula to keep these moving forward together, as opposed to one dominating the funds.

Councilor Wurzbarger asked if there is a national group which does research on what works on the ballot.

Mayor Coss said the TPL has done it for parks over and again.

Chair Heldmeyer said it depends on what the ballot is. If there is a General Election with lots of things on it, and at the bottom of the ballot it says "parks, seniors, fire protection," people tend to vote for those because they're not really thinking about what it means. However, if this is put in a more isolated form on a local ballot, where there aren't "nine thousand things" to vote on, then people are likely to think about what it means and vote on that basis.

Councilor Wurzbarger would like to check this out, and see what is available.

Councilor Ortiz asked if the City is allowed to spend funds for this.

Mayor Coss said polling preliminary to the election is allowed, but the City is not allowed to spend funds to advocate for the ballot questions.

Chair Heldmeyer said TPL has looked at configurations of things on ballots which work better than others, and if they would let us have it without cost, it might be worth considering.

Mayor Coss will call TPL and work with Robert to prepare a list of the projects which could be funded for \$10 million.

It was the consensus among the Committee to have this come back at the next Finance Committee meeting for consideration after the Mayor has gathered the information.

Mayor Coss said the CIP bond issue begins next week at Public Works, and we need to be cognizant of what is the CIP bond when we make decisions about what should be on the March 2008 ballot.

B. REQUEST FOR APPROVAL OF GENERAL OBLIGATION BONDS FOR PARK IMPROVEMENTS IN THE AMOUNT TO BE DETERMINED.

Councilor Ortiz asked if this requires the process we discussed in Item #27 to be followed through, or is it different, because he thought this was discussed in Item #27.

Chair Heldmeyer said it was, but this item is for formal action by the Committee.

MOTION: Councilor Ortiz moved, seconded by Councilor Calvert, that the same direction given to staff in Item #27, is applied to Item 28(B) and that we hear it again at Finance Committee.

VOTE: The motion was approved unanimously on a voice vote.

C. REQUEST FOR APPROVAL OF QUALITY OF LIFE GRT INCREASE IN AN INCREMENT TO BE DETERMINED FOR ARTS.

Councilor Wurzbarger said if we could develop the correct strategy this could pass. She believes the reason this tax failed in Albuquerque was twofold. One is because Mayor Chavez pulled his support and the second is how the campaign was implemented, as well intentioned as it was. She said believes this is a tax which could be passed in Santa Fe, and it has potential, and we shouldn't look at what happened in Albuquerque for being indicative of what would happen in Santa Fe.

Chair Heldmeyer said it is a GRT tax which is regressive and hits the poorest the hardest. She believes there are reasons this didn't pass in Albuquerque. One is that the law which sets this up is a very complex and convoluted law, specifically designed for Albuquerque. She said it was seen as an elitist tax to benefit a small portion of the population, and for a regressive tax, this is a particular problem.

Councilor Wurzbarger said whether it was perceived as such, or actually is such by definition of the legislation, we do need to look at that.

Chair Heldmeyer said she can't support this because it is a regressive tax.

Councilor Calvert said he can't support it because it is regressive, and also because we already have a "plate full," and this isn't well defined as to how the money would be spent. It isn't in the same category as some of the other needs, and he doesn't want to move further discussion at this time.

It was the consensus among the Committee to take no further action with regard to this revenue source.

D. REQUEST FOR APPROVAL OF CHARTER COMMISSION AMENDMENTS.

Chair Heldmeyer said there are two Charter amendments which have particular financial implications. The City Attorney pointed out that a third also had potential financial implications. The three are ranked choice voting, campaign finance initiative and also changing the numbers of signatures required for initiative, referendum and recall. The City Attorney pointed out that changing the number of signatures might have a fiscal impact if it results in more special elections.

Chair Heldmeyer said she received an email from the City Attorney, and the idea was that we would have FIRs, but we don't have an FIR on ranked choice voting.

Ranked choice voting

Councilor Ortiz said the Ethics and Rules Committee had a long discussion about ranked choice voting, and it was moved forward with a recommendation. However, the Committee is cognizant, and it is a fact that there are significant hard costs and logistical considerations in considering implementing a ranked choice or instant voting scheme. This was discussed at the Committee, and it was acknowledged by the City Clerk, and confirmed in the Memo from the City Attorney that we are reliant completely on the machines and hardware provided by the County Clerk as provided by law. The County Clerk is, by state law, dependent on the software which comes from the Secretary of State. We have been told, unequivocally, that the software needed to implement this is not available to us at this time. If we were to approve this ballot initiative, it would be sending an impression to the community that we can do something we can't do.

Councilor Ortiz said although he would like to see ranked choice voting, the City can't implement it at this time. He said we have received no information from any of the proponents that there is another way around the fact that we do not have the software available to us. He said if we put this on the ballot we would be telling the public if it is possible, if it is feasible, and if it is legal, the City will implement it. He said this is the Charter Amendment as it came out of the Ethics & Rules Committee. This decision was based on the advice from the City Attorney's office and the facts made available by the City Clerk in her research on this office with the County Clerk and the Secretary of State.

Councilor Ortiz said he voted for this Amendment, because the Charter Committee was so invested in this, and the testimony of people at the public hearing saying they want to explore this idea. He said it is safe to say even if this passes, there will be no ranked choice voting for the municipal elections in 2008, 2010 and 2012.

Councilor Ortiz said there are other things in the Charter which have a similar effect, so he believes we should put it to a vote and see if it is sellable to a majority of the voters.

Councilor Wurzbarger said we could put it on the ballot with the explanation that because of the cost it might not happen for five years. In essence, we would be asking the public to vote on a value statement of whether they want it.

Councilor Ortiz said this is correct. It is voting on the value statement. He voted for this because the value statement has some importance. He said we only do this Charter amendment process once every ten years, so he would like to put it on the ballot now and let the public decide. He said if it becomes more feasible, then we would have had the ballot initiative passed and could proceed to implementation sooner than if we didn't put it on the ballot.

Chair Heldmeyer asked Mr. Katz if, under State law, the Council can offer the voters Charter amendments at any time and we don't have to do this only every ten years.

Mr. Katz said this is correct. The Council could initiate it, or there could be a petition method to initiate it at times other than the ten-year review.

Chair Heldmeyer said we can't place issues on the ballot. However, this could be on the ballot now as a charter amendment, or we could do it later if circumstances changed and we could do it. She said she is uncomfortable in putting something on the ballot and saying to voters, "Do you like this or not, but if you like it, we're not going to do it for a while, and we don't know when that is, and we don't know how much it is going to cost."

Chair Heldmeyer said if this is placed on the ballot, she believes it is crucial that we have a system which automatically rejects incorrectly marked ballots. She has heard when you switch to this kind of system, there are a huge number of incorrectly marked ballots. She spoke about the experience of the American Psychological Association when it switched to this kind of voting, and the first several elections had a 20% rejection of ballots. She said it is necessary to have instant feedback. She is not comfortable with an election which throws out a lot of ballots because they were marked incorrectly. She said this means a machine is needed to count these ballots. She said we could hang onto the idea, and when it becomes technically feasible, then add it as a charter amendment on the next ballot.

Councilor Calvert said if we were to move forward with this as is, under the circumstances it basically would be the voters approving the concept with Council retaining the authority to determine when it is feasible.

Mr. Katz said, with regard to the request for an FIR, the way it is worded now is that it would go into effect in 2010 or as soon there after as soon as software and hardware are available at a reasonable price. So, in essence the FIR is what you think is feasible.

Councilor Calvert said then the short answer to his question is yes.

Mr. Katz said yes.

Chair Heldmeyer said you can see people gaming the system to decide when it is feasible and reasonable.

Mr. Katz said this is happening in a lot of places, and the likelihood that it will be reasonably available is fairly low. However, Councilor Ortiz is right, there is no guarantee that the software will be

available. He said he doesn't think there is a legal issue, so much as the availability of the software, and there is no guarantee on that.

Chair Heldmeyer pointed out that some of the supporters feel that the City can hand count ballots instead of using software, but she doesn't believe that is either feasible or reasonable.

Councilor Wurzbarger said she would prefer to move forward with this in some form as a concept, to keep from losing it. She is much less comfortable with how long it would take to pass it again, even as a concept, and the reason she would like to see it move forward.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Calvert, to move this forward to the Council to be on the ballot in some form, with no further changes from previous amendments.

DISCUSSION: Chair Heldmeyer asked if Councilor Wurzbarger's motion is to send this to the Council for a vote as to whether the Council wants it on the ballot.

Councilor Wurzbarger said this is correct.

VOTE: The motion was approved unanimously on a voice vote.

Campaign Finance Initiative

A copy of "Statement to the City of Santa Fe Finance Committee," dated September 4, 2007, submitted for the record by the League of Women Voters of Santa Fe County, is incorporated herewith to these minutes as Exhibit "1."

A Memorandum dated September 4, 2007, to the City of Santa Fe Finance Committee, from Jim Harrington, regarding "Paying for a system of full public campaign financing in Santa Fe," is incorporated herewith to these minutes as Exhibit "2."

Jody Larson, President, League of Women Voters reviewed the information in Exhibit "1," saying the League of Women Voters support majority rule and runoff, but don't propose a particular method.

Jim Harrington said the proposed Charter amendment allows broad leeway, and his Memorandum [Exhibit "2"] contains an idea of how a system might work. The second is based on the adoption of a public financing system with a generous allowance for matching payments for excess spending by non-participating candidates and independent groups. These are just illustration. He said they believe the proposed amendment is so generally worded and leaves discretion to the Council with regard to financing, he believes it would be hard to oppose it. He said the League of Women Voters position essentially leaves the Charter as is, which presently provides the Council shall consider, although they would establish a deadline. He said that provision has gone nowhere and won't happen under the current language. He said as Councilor Calvert pointed out, at least some of the Councilors want to see expression from the voters as to whether or not they want it.

Chair Heldmeyer said the Council should be allowed to put initiatives on the ballot.

Mr. Harrington said the Council can do the same thing by putting a charter amendment on the ballot and get public feeling.

Chair Heldmeyer asked about the FIR on public financing.

Mr. Harrington said we can't determine anything exactly, because the Committee made this provision general. He said such a system will be full of details, especially with regard to matching excess spending by non-participating candidates. There will probably be loopholes, and it probably will be necessary to tinker with it, but in the Charter you can't do tinkering without holding a very expensive election. So the Committee chose to establish a mandate that the Governing Body would adopt some sort of meaningful public financing system. He doesn't believe anything meaningful could be done for less than \$100,000 per year. He said he believes the same thing would happen in Santa Fe that happened in Tucson. After the first election, it would become a black mark for a candidate to run without public financing, so all candidates would accept that. This is the assumption on which the figures are based. He said he believes you offer the average of what has been spent in recent elections as an initial allowance. This proposal has what is lacking in National elections, which is a generous provision for additional payments to participating candidates if they are outspent by non-participating candidates. He said there can be a limitation.

Chair Heldmeyer pointed out that these proposals aren't in the Charter amendment.

Mr. Harrington said this is correct, but these are his suggestions to make it a good provision. He said it worked well in Arizona, and everyone now participates.

Councilor Calvert believes his constituents want this, and he would want to put it on the ballot.

Councilor Ortiz said there already is a charter provision which tells us we should consider doing it. He tried to do this three years ago, and it was modeled on the City of Tucson ordinance, which has been legally challenged and successfully defended, and has been working for some time. He said Common Cause and Mr. Harrington wanted a more streamlined version of it, and it went nowhere. It went no where because we couldn't come up with a politically acceptable, viable source of funds, and this is the issue that stalled out his bill. He said his bill had only three sponsors and he couldn't get the 5th vote to get it through any Committee. He said Tucson does an assessment on its sewer and water bill to fund its public system.

Councilor Ortiz said what is proposed in the memorandum is from Jim Harrington, and he doesn't believe Mr. Harrington is speaking on behalf of anyone officially. He said Mr. Harrington talks about raising property taxes to fund this. He said we still can't come up with a definite way to fund it. He said the Charter Commission left it very general, providing that the Council shall consider this and shall have meaningful reform. He said there will be arguments about what is "meaningful."

Councilor Ortiz said Ms. Nathenson, a member of the Ethics and Rules Committee, representing the point of view of the League of Women Voters, said if we were going to do this, an education process is

needed, and we need to form a task force and educate the public on what happens. He tried to incorporate this into the ballot initiative, but it was unclear as to whether this would happen after the ballot initiative passes, or happens as part of the ballot initiative process. He said he won't vote for a ballot initiative on public financing if it is to be funded with GRTs or property tax, and he doesn't believe the majority of Santa Feans would vote for it under these circumstances. However, if there is another mechanism, it probably would pass. He said this will have a fiscal impact and we need an answer as to the source of funds, so we can inform the public. This has been the rub. He doesn't want to pass this to the public without clarity.

Chair Heldmeyer reiterated that the Governing Body can do charter amendments anytime, and asked if it makes sense to introduce a resolution setting up the kind of task force Councilor Ortiz references, and then having something concrete. The other thing is that she doesn't support "messaging up" the Charter with things which are so "iffy" and nebulous. She said people know it will cost money, and will ask where we will get the funds. In the absence of that information, she believes people will vote no, because they are worried they will have to pay for it. The other thing she hears is that unless the City has a better record on ethical campaign practices than it does, that you run the risk of setting up a law who hurts people who are honest and rewards those who are not. She believes it would make more sense to talk about setting up the task force and to develop something specific and real for placement on the 2010 ballot.

Councilor Ortiz said the first point was specifically addressed by the Ethics Committee Chair about this ballot initiative in particular which is how do we account for it, which always has been the problem with public financing. He said the Charter Review Commission gave this its best shot. He hasn't seen many initiatives go forward from this Governing Body which are separate and apart from initiatives which have come through the review process. He understands that this is available at any time, but he hasn't seen an occasion where it has come to pass except through the review by a charter commission.

Chair Heldmeyer commented that she believes the Council was given incorrect information in this regard in the past by a previous City Attorney.

Councilor Ortiz said a different City Attorney also could reaffirm this misguided information.

Chair Heldmeyer said that couldn't be done now that we know the location of the statute.

Councilor Ortiz said he is inclined to move this forward, but he does know there needs to be an educational process, however that is done. He believes some people, if we give them a vanilla "we're thinking about doing this, if we can do it," would vote for it and not question it with regard to the source of the funding. He said we need to be honest with the public and tell them it is coming from them, although we don't know how much that will be and how it will be done.

Councilor Calvert said estimating the cost is like trying to figure out human nature. It depends on the individual running at the time and how they choose to conduct themselves, how they think and what works best for them. He agrees that we can't think about the most negative part of human nature, in that

someone would do this and get money "under the table." He said any system is only as good as the regulation and enforcement available to monitor it.

MOTION: Councilor Calvert moved, seconded by Councilor Ortiz, to recommend moving this recommendation forward.

VOTE: The motion was approved unanimously on a voice vote.

Reduction of number of signatures

Chair Heldmeyer said the City Attorney has pointed out that lowering the number of signatures needed for initiative, referendum and recall will have a fiscal impact.

Councilor Ortiz said he understood that we lowered the numbers because we recalculated it, so the actual number of people would be the same, but it is just a different calculation.

Mr. Katz said no, it is being reduced by two-thirds.

Councilor Ortiz said one of the things which has not changed on any of the proposals is, even if there is a successful nominating petition, it is not a ministerial act of the Governing Body to actually place it on the ballot, and the Council retains discretion as to whether or not the initiatives are sent to the public.

Mr. Katz said this is incorrect. He said on referendum, initiative or recall, it is the power of the people to put the initiative on the ballot. He said this is the answer to Councilor Heldmeyer's desire to have an initiative on the ballot which guides, except that this will become law.

Councilor Ortiz said there wasn't much discussion on this at Ethics and Rules.

Chair Heldmeyer asked if the Committee would like to postpone this to the next Finance Committee meeting and have more discussion on it.

Yolanda Vigil, City Clerk, said there is a Memo in the Committee packet outlining the change in the numbers, beginning on page 24. She said the numbers are reduced for initiative, referendum and recall for the number of signatures required to trigger an election, as well providing as an extra 30 days to gather all of the signatures. She said there are four pages of the break-out of comparison between the existing and the proposed numbers. She said the numbers are based on actual voters, and not registered voters, so it does lower the numbers significantly.

Chair Heldmeyer asked the reason the numbers to recall the Mayor was reduced by a larger percentage than the number to recall a Councilor.

Ms. Vigil said it is because of the way it is worded. For the Mayor, it is 33.33% of the actual voters at the last Mayoral election, including at least 15% of the actual voters for the Mayor in each Council District, so this is an extra step.

Councilor Calvert asked if there is an FIR on this ballot initiative.

Ms. Vigil said if each of these is approved by the voters, the City will see more elections, and each election would cost \$60,000 to \$65,000 without staff. She said she has requested two part time positions for the next election, which will cost another \$33,000. She believes there will be more elections because the numbers are being lowered and the time frame for collection of signatures has been extended.

Councilor Calvert is concerned that this, in combination with public financing, could be a lot more expensive than what the City could afford. He is not advocating preventing the public from having their say, but he wonders if we really can afford to do all of these things.

Chair Heldmeyer said she would rather have this than Campaign Financing.

MOTION: Councilor Ortiz moved, seconded by Councilor Calvert, to move this item forward to be placed on the ballot.

VOTE: The motion was approved unanimously on a voice vote.

Chair Heldmeyer noted that this item won't come back to this Committee, and Councilors with any proposed amendments should meet with Mr. Katz and Ms. Vigil.

Ms. Vigil said the public hearing on this will be on September 26, 2007.

29. OTHER FINANCIAL INFORMATION

A. UPDATE ON GROSS RECEIPTS TAX FOR AUGUST 2007 AND LODGERS' TAX FOR JULY 2007. (KATHRYN RAVELING)

Chair Heldmeyer asked Ms. Raveling the reason GRTs is down.

Ms. Raveling said the GRTs fluctuate, noting that July last year was high but it flipped in August.


Ms. Raveling said we no longer provide this information by category because the State stopped providing this information by category.

30. MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

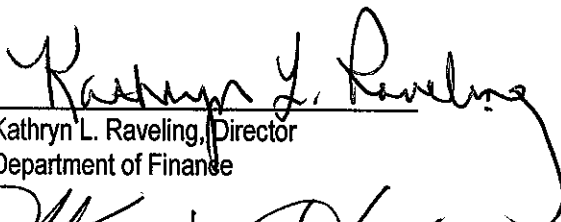
31. **ADJOURNMENT**

There being no further business to come before the Committee, and the Committee having completed its Agenda, the meeting was adjourned at 7:30 p.m.

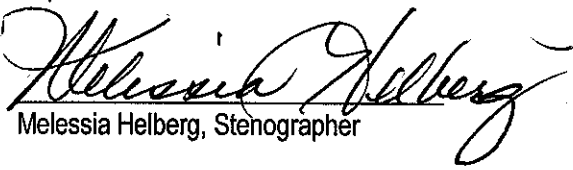


Karen Heldmeyer, Chair

Reviewed by:



Kathryn L. Raveling, Director
Department of Finance



Melessia Helberg, Stenographer